

SECTION 5

BUSINESS RULES

1. Procurements must be conducted in accordance with:
 - Laws and regulations
 - FAR
 - DFARS
 - Service supplements
2. Financial management activities must be conducted in accordance with:
 - Laws and regulations
 - The Financial Management Regulation
 - FAR, DFARS
 - Service supplements
3. Administration of procurement instruments must be conducted in accordance with:
 - FAR
 - DFARS
 - The One Book
4. Program managers are required to execute their programs in accordance with:
 - DoD 5000 Series
 - DoD 4140.1 (spares)
5. Audit activities must be conducted in accordance with Generally Accepted Governmental Auditing Standards (GAGAS)
6. The process of executing a legal, binding agreement obligating funds shall not be taken until funds are certified as available by the responsible financial manager
7. Contracting/ordering officers obligate the government by the execution of a legal, binding agreement; the funds administrator posts the obligation in the official accounting records using the exact information provided by contracting/ordering officers
8. Payment on a legal, binding agreement shall not be made until the obligation is recorded in the official accounting records
9. The place and responsibilities for inspection and acceptance are designated in the contract; the designated activity is responsible for reporting inspection and acceptance
10. DCMC is responsible for source inspection and acceptance for delegated contracts
11. DFAS must provide information regarding financial status to the financial manager

12. Revolving accounts follow the same commitment and obligation requirements as appropriated funds
13. Performance is physically complete at acceptance
14. Acceptance of a deliverable is a prerequisite for payment for that deliverable
15. The obligation results in a liquidation of the commitment
16. Disbursement liquidates an obligation/accounts payable
17. Commitment occurs upon entry into the official accounting records
18. MILSCAP (PK __) can constitute evidence of acceptance without the need of sending a hard copy acceptance report to DFAS. In the absence of a MILSCAP (PK) transaction for destination, DFAS requires a hard copy acceptance report
19. Acceptance can happen before, at, or after delivery